

## **WABASH COUNTY COUNCIL MEETING**

The Wabash County Council met in session on Monday, July 15, 2019 in the Commissioner's Meeting Room of the Wabash County Courthouse. Chairman Kyle Bowman called the meeting to order at 6:00 P.M. Seven Council members were present: Bowman, Matthew Mize, Randy Curless, Matt Dillon, Lorissa Sweet, Philip Dale and Barbara Pearson. Bowman led in a word of prayer and the Pledge of Allegiance. The proceedings of the meeting were recorded by the County Auditor's office. Chairman Bowman requested that those present silence their cell phones and stated that all public comments regarding agenda and non-agenda items are permitted and encouraged.

The first order of business was to review the minutes of the June 17, 2019 Council meeting. Mize made a motion to approve the minutes. Dale seconded the motion and it passed by a 7-0 vote in favor.

Chairman Bowman opened the scheduled and advertised Public Hearing for the purpose of reviewing a tax abatement application for Custom Cartons, Inc. Present for the Hearing was County Attorney Steve Downs, Keith Gillenwater, CEO of "Grow Wabash County" and Alan Marquardt of Custom Cartons, Inc. County Attorney Steve Downs stated that a public hearing is advertised and held in order to confirm the designation of an economic revitalization area and in order to hear remonstrance and objections from the public to the application for tax abatement, as requested by Custom Cartons, Inc. and for final action by Council.

At last month's meeting, Marquardt had submitted a request for a ten-year tax abatement for equipment replacement and explained that the business is expanding and needing to replace outdated equipment. Gillenwater had previously distributed copies of the "Statement of Benefits for Personal Property" form to council members and had reported that according to the evaluation of the "Proposed Tax Abatement" system, 50 points was assigned from the system guidelines which qualifies the business for a ten-year abatement. Bowman asked for questions from the Council members. There were no further questions in addition to those from the previous meeting. Bowman asked for questions or comments from the public. There was no remonstrance or objections heard from the public. Mize made a motion to approve Resolution #2019-85-03 confirming the designation of an economic revitalization area and approving a ten-year personal property tax abatement as requested by Custom Cartons Inc. Curless seconded the motion and it passed by a 6-0 vote with one abstention by Council member Matt Dillon. Bowman closed the public hearing. See Resolution #2019-85-03:

### **A RESOLUTION CONFIRMING THE DESIGNATION AN ECONOMIC REVITALIZATION AREA AND QUALIFYING PERSONAL PROPERTY FOR TAX ABATEMENT**

Custom Cartons, Inc. ("Applicant") has requested the County Council of Wabash County, IN ("Council") to find, pursuant to IC 6-1.1-12.1-2.5 that a tract of land in Wabash County, Indiana more particularly described as follows:

All parcels located in a part of the South half of the Southwest Quarter of Section 9, Township 27 North, Range 6 East.  
 Parcel I: see legal description, .0775 acres.  
 Parcel II: see legal description, 1 acre and 2.56 acres.  
 Exception of one acre. Containing in the aggregate after said exception a total of 3.335 acres, more or less.

("Area") is an Economic Revitalization Area.

The area is located within the jurisdiction of the Council for the purposes of IC 6-1.1-12.1-2 and IC 6-1.1-12.1-2.5.

The Applicant is planning to install new manufacturing equipment ("Project") as described in Applicant's Statement of Benefits ("Statement of Benefits") previously submitted to the Council.

The Council has reviewed the Statement of Benefits and hereby finds that the Project as described in the Statement of Benefits will be of public utility, will be to the benefit and welfare of all citizens and taxpayers of the County, and qualifies as investments for which deductions are permitted under IC 6-1.1-12.1-4.5.

Pursuant to IC 6-1.1-12.1-2 and IC 6-1.1-12.1-2.5, the Council passed Resolution #2019-85-02 ("Declaratory Resolution") on June 17, 2019 which designated the Area as an economic revitalization area pursuant to the Act and approved personal property tax deductions for new manufacturing equipment installed in the Area for up to ten (10) years.

In compliance with IC 6-1.1-12.1-2-5, the Council published notice ("Notice") on July 3, 2019, describing the adoption and substance of the Declaratory Resolution and stating that, on the date hereof, the Council would hold a public hearing ("Public Hearing") at which it will receive and hear remonstrance and objections from interested persons, with respect to the Declaratory Resolution and the Statements.

In compliance with IC 6-1.1-12.1-2.5, the County Auditor filed, with each taxing unit that has authority to levy property taxes in the Area, a copy of the Notice, the Declaratory Resolution, and the Statements.

In compliance with IC 6-1.1-12.1-2.5, on the date hereof, the Council held a Public Hearing at which it received, heard and considered evidence concerning the Declaratory Resolution and Statements, and any remonstrance or objections with respect to the Declaratory Resolution.

Pursuant to IC 6-1.1-12.1-2.5 and IC 6-1.1-12.1-4.5, the Council desires to take final action confirming the Declaratory Resolution, approving the Statement, and granting tax abatement.

NOW THEREFORE, be it resolved by the Council as follows:

Section 1. The Council hereby finds that (i) the Area is within the County, and (ii) the Area has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or equipment, or factors which have impaired values and prevented a normal development of property and use of property.

Section 2. The Area is hereby declared to be an "economic revitalization area" pursuant to IC 6-1.1-12.1 et seq.

Section 3. Based on the information in the Statement of Benefits describing the Project, the Council makes the following findings:

- (a) The estimate of the value and cost of the Project is reasonable for projects of that nature.
- (b) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project.
- (c) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project.
- (d) The estimate of the amount of solid waste that will be converted into energy or other useful products can be reasonably expected to result from the Project.
- (e) The other benefits about which information was requested are benefits that can be reasonably expected to result from the Project.
- (f) The totality of benefits is sufficient to justify the granting of personal property tax deductions to the Applicant pursuant to IC 6-1.1-12.1-4.5, subject to the limitations set forth in the Resolution.

Section 4. Based on the information in the Statement of Benefits and the foregoing findings, the Council, pursuant to IC 6-1.1-12.1-4.5, hereby approves and allows the Applicant personal property tax deductions for the Project under IC 6-1.1-12.1-4.5 for new manufacturing equipment and new logistical distribution equipment installed in the Area for a period of ten (10) years, on a schedule.

Section 5. All personal property comprising the Project shall be eligible for a ten (10) year property tax abatement, regardless of when it is first assessed.

Section 6. Pursuant to IC 6-1.1-12.1-9.5, the Council hereby waives any noncompliance related to the failure to designate the Area an economic revitalization area prior to the initiation of the redevelopment or installation of new manufacturing equipment or new logistical distribution equipment. Such waiver will not result in a delay in the issuance of tax bills, require the recalculation of tax rates or tax levies for a particular year, or otherwise cause an undue burden on a taxing unit.

Section 7. The Council hereby confirms the Declaratory Resolution.

Section 8. The Auditor of the County is hereby authorized, empowered, and directed on behalf of the County to take any other action as such individual deems necessary or desirable to effectuate the foregoing resolution, and any actions heretofore made or taken be, and hereby are, ratified and approved.

Section 9. The resolution shall be in force and full effect from and after its adoption

Adopted this 15<sup>th</sup> day of July, 2019.

COUNTY COUNCIL OF WABASH COUNTY, INDIANA

By: Kyle Bowman, Chairman (signed)

Attest: Marcie Shepherd, Wabash County Auditor (signed)

Next, on the agenda was an application for tax abatement by Heartland REMC, 4563 E. Markle Road, Markle, IN. for new information technology equipment. Keith Gillenwater, CEO of “Grow Wabash County” was present and furnished Council members with the “Statement of Benefits for Personal Property” for the \$21 million utility infrastructure project on behalf of Heartland REMC. Also present were Rob Pearson, CEO of REMC and Nick Caley, REMC Member Services Manager. Mr. Pearson explained that REMC would like to install fiber optic cabling and broadband telecommunication equipment in order to provide high speed internet to rural county residents within Wabash, Wells and Huntington counties, regardless if they are REMC members or not. Questions and answers followed. Pearson stated that the other two counties involved will be approached about the project at meetings next week, that other utility companies’ (Duke Energy in Wabash County) customers could also purchase access and that the cost will not affect or have any bearing on electric rates. He said that there will be several “internet speed” packages offered to rural customers and they will use existing overhead poles and install underground cabling, but that they need tax abatement in place before construction can begin. He stated that REMC will own the system with pay-back of the investment over a long period of time and that the system’s financing is based on a 47% estimated need.

Gillenwater stated that the infrastructure project includes several jurisdictions and crosses many parcel lines; an estimated 1,000 miles, but the REMC tax abatement would not result in a “blanket approval” of any other abatement application within this designated area. Council member Mize asked if the Dept. of Local Government Finance (DLGF) would need to be consulted since REMC is a public utility provider. Gillenwater stated that there is support and funding at the state level for internet rural access projects and that he, as an economic development official in other counties has been successful with these projects in the past. County Attorney Downs stated that the State could challenge the project, but that the tax abatement process is provided for in the State statutes with the declaratory and confirmatory resolutions approved by Council.

As the first step in the process to qualify for personal property tax abatement in this area, County Attorney Steve Downs submitted a “Declaratory Resolution” for approval by County Council that designates all unincorporated areas of Wabash County as an economic revitalization area, excluding all real estate located within the corporate limits of a town located within the County. The process would further include a scheduled and advertised public hearing and a Confirmatory Resolution approval. Council member Mize made a motion to approve the Declaratory Resolution as submitted. Dale seconded the motion and it passed by a 6-0 vote with one abstention by Barbara Pearson. See Resolution #2019-85-04:

**DECLARATORY RESOLUTION DESIGNATING ALL UNINCORPORATED AREAS OF WABASH COUNTY AS AN ECONOMIC REVITALIZATION AREA**

The County Council (the "Council") of the County of Wabash, Indiana has been requested to find, pursuant to IC 6-1.1-12.1 ("the Act") that all of the real estate located in Wabash County, IN (the "County") excluding all real estate located within the corporate limits of a town located with the County, is an Economic Revitalization Area.

The Council, at a meeting open to the public, has heard evidence and has considered the same.

Said real estate is located within the jurisdiction of the Council for purposes set forth in IC 6-1.1-12.1-2 of the Act.

The designation of the real estate described herein would be of public utility and would be to the benefit and welfare of all citizens and taxpayers of Wabash County.

NOW THEREFORE, be it resolved by the Council as follows:

**Section 1.** The real estate described above should be and is hereby declared to be an "Economic Revitalization Area" as the term is defined and intended in IC 6-1.1-12.1-1 of the Act.

**Section 2.** The designation of the real estate and an "Economic Revitalization Area" shall be until the Council adopts a resolution terminating said designation.

**Section 3.** The type of deduction that is allowed in the designated Economic Revitalization Area shall be limited to the redevelopment or rehabilitation of the real estate, and/or the installation of new manufacturing equipment, new research and development equipment, new logistic distribution equipment of new information technology equipment and/or eligible vacant buildings used for commercial or industrial purposes, as the Council shall establish on a case by case basis by adoption of an appropriate resolution adopted within sixty (60) days after receiving a copy of an applicant's certified deduction application (on forms prescribed by the Department of Government Finance) from the County Auditor. These limitations on the type of deduction(s) allowed established pursuant to IC 6-1.1-12.1-2 (i)(2) of the Act.

**Section 4.** The Council may authorize that the deduction from assessed valuation for the redevelopment or rehabilitation of the real estate, and/or for the installation of new manufacturing equipment, new research and development equipment, new logistic distribution equipment of new information technology equipment and/or eligible vacant buildings used for commercial or industrial purposes, as the Council shall establish on a case by case basis by adoption of an appropriate resolution adopted within sixty (60) days after receiving a copy of an applicant's certified deduction application (on forms prescribed by the Department of Government Finance) from the County Auditor. These time limitations are established pursuant to IC 6-1.1-12.1-3 (d), and IC 6-1.1-12.1-4.5(f) of the Act, or IC 6-1.1-12.1-4.8(g) of the Act.

**Section 5.** The amount of the deduction applicable to the redevelopment or rehabilitation of the real estate, and/or the installation of new manufacturing equipment, new research and development equipment, new logistic distribution equipment of new information technology equipment and/or eligible vacant buildings used for commercial or industrial purposes, as the Council shall establish on a case by case basis by adoption of an appropriate resolution adopted within sixty (60) days after receiving a copy of an applicant's certified deduction application (on forms prescribed by the Department of Government Finance) from the County Auditor, or if not established by said resolution, shall be limited to the amounts set forth in deductions established pursuant to IC 6-1.1-12.1-2 (i)(3) through (5) of the Act.

**Section 6.** The Council desires, with the consent of the applicant, to incorporate IC 6-1.1-12.1-14 of the Act into any resolution for the purposes of permitting Wabash County to charge the fee provided in said Section. For purposes of the calculation contained in IC 6-1.1-12.1-14© of the Act, the percentage amount shall be established on a case by case basis by adoption of an appropriate resolution adopted within sixty (60) days after receiving a copy of an applicant's certified deduction application (on forms prescribed by the Department of Government Finance) from the County Auditor. The Council shall apply the fee collected as provided herein to one or more public or nonprofit entities established to promote economic development within the boundaries of Wabash County and shall identify such entities to the Wabash County Auditor as set forth in IC 6-1.1-12.1-14 of the Act.

**Section 7.** The Council shall cause to be published a notice in accordance with the requirements of the Act setting a date for the receiving and hearing of remonstrance's and objections from interested persons and file the same with all taxing units that have authority to levy property taxes in the geographic area where the Economic Revitalization Area is located. After considering the evidence, the Council shall take final action determining whether the qualifications for an economic revitalization area have been met and either confirm, modify and confirm, or rescind this Resolution.

**Section 8.** No part of this Resolution shall be interpreted to conflict with any local, state or federal laws, and all reasonable efforts shall be made to harmonize same. Should any section or part thereof of this Resolution be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the Resolution as a whole, or any other portion thereof other than the portion so declared to be invalid, and for this purpose the provisions of the resolution are hereby declared to be severable.

Adopted this 15<sup>th</sup> day of July, 2019.

COUNTY COUNCIL OF WABASH COUNTY, INDIANA

By: Kyle Bowman, Chairman (signed)

Attest: Marcie Shepherd, Wabash County Auditor (signed)

County Attorney Downs also submitted another Declaratory Resolution for approval by Council as the first action in the personal property tax deductions specifically for Heartland REMC. The process will then include a scheduled public hearing and Confirmatory Resolution approval for final action by Council. Keith Gillenwater reported that according to the evaluation of the "Proposed Tax Abatement" system, 63 points was assigned from the system's guidelines which would qualify the business for a ten-year abatement. He stated that the County's Tax Abatement Committee met regarding the REMC

application and gave a positive recommendation for the requested abatement. Mize made a motion to approve Declaratory Resolution #2019-85-05 as submitted. Curless seconded the motion and it passed by a 6-0 vote with one abstention by Barbara Pearson. See Resolution #2019-85-05:

**DECLARATORY RESOLUTION APPROVING PERSONAL PROPERTY TAX DEDUCTIONS FOR HEARTLAND REMC**

Heartland REMC ("Applicant") desires to install new information technology equipment in unincorporated areas of Wabash County, IN ("Project") as described in Applicant's Statement of Benefits ("Statement of Benefits") previously submitted to the Council.

The Council has previously adopted a declaratory resolution designating all unincorporated areas of Wabash County, Indiana as an economic revitalization area ("Area").

The Council has reviewed the Statement of Benefits and hereby finds that the Project as described in the Statement of Benefits will be of public utility, will be to the benefit and welfare of all citizens and taxpayers of the County, and qualifies as investments for which deductions are permitted under IC 6-1.1-12.1-4.5.

NOW THEREFORE, be it resolved by the Council as follows:

Section 1. Based on the information in the Statement of Benefits describing the Project, the Council makes the following findings:

- (a) The estimate of the value and cost of the Project is reasonable for projects of that nature.
- (b) The estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project.
- (c) The estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the Project.
- (d) The other benefits about which information was requested are benefits that can be reasonably expected to result from the Project.
- € The totality of benefits is sufficient to justify the granting of personal property tax deductions to the Applicant pursuant to IC 6-1.1-12.1-4.5, subject to the limitations set forth in the Resolution.

Section 2. Based on the information in the Statement of Benefits describing the Project, and the forgoing findings the Council, pursuant to IC 6-1.1-12.1-4-5, hereby approves and allows the Applicant personal property tax deductions for the Project located in the Area.

Section 3. The period for personal property tax deductions for the Project under IC 6-1.1-12.1-4-5, for new information technology equipment installed in the Area shall be ten (10) years.

Section 4. Pursuant to IC 6-1.1-12.1-9.5, the Council hereby waives any noncompliance related to the failure to designate the Area an economic revitalization area prior to the initiation of the redevelopment or installation of new information technology equipment. Such waiver will not result in a delay in the issuance of tax bills, require the recalculation of tax rates or tax levies for a particular year, or otherwise cause an undue burden on a taxing unit.

Section 5. Pursuant to IC 6-1.1-12.1-2.5, there shall be published notice of the adoption and substance of this resolution in accordance with IC 5-3-1 ("Notice"), which Notice shall name a date for the public hearing on this matter ("Hearing") and state that at the conclusion of the Hearing the Council may take final action on the proposed designation and waivers. A copy of this resolution shall be filed with and shall be available for inspection in the office of the Wabash County Assessor.

Section 6. At least ten (10) days prior to the Hearing, pursuant to IC 6-1.1-12.1-2.5, the County Auditor shall file copies of the Notice and Statement of Benefits with the officers of each taxing unit that has the authority to fix budgets, tax rates, and tax levies under IC 6.1.1-17.5.

Adopted this 15<sup>th</sup> day of July, 2019.

COUNTY COUNCIL OF WABASH COUNTY, INDIANA

By: Kyle Bowman, Chairman (signed)

Attest: Marcie Shepherd, Wabash County Auditor

Next on the agenda were Curt Carlson, President/CEO of the Bowen Centers, and Jason Cussen, Wabash County Bowen Center Director who were present in order to update the Council on the Bowen Center's activities. They submitted copies of the 2018 Annual Report containing totals and the Wabash Center's statistics. Cussen stated that the Wabash Center currently serves over 350 clients mainly in two categories: mental health services and substance abuse services through the Bowen Recovery Center in Fort Wayne.

Next on the agenda was Todd Samuelson, CPA & Partner, and Andrew Mouser, Senior Manager of Baker Tilly Municipal Advisors, LLC who submitted a packet of financial information to assist in the discussion and planning of the proposed County Jail Project. Samuelson explained that the financial

information is limited and subject to future revision. The documents included estimated cash flow from several county funds, a debt limit calculation, illustrative project costs and funding, illustrative amortization lease rental bonds schedule, a comparison of illustrative tax revenue and lease rentals for a 20-year period, and several funding scenarios.

Mr. Mouser outlined the scenarios:

Scenario 1: Assumes property tax levy to fund the project with debt service tax rate passed through the Referendum process and without the Referendum process.

Scenario 2: Assumes Correctional Facility (LIT) Local Income Taxes of .1% and Special Tax Rate of .35% (state approval required), assumes a reduction in property tax relief of .45%.

Scenario 3: Assumes Correctional Facility (LIT) Local Income Taxes of .2% (possible new legislation) and Special Tax Rate of .25% (state approval required), assumes reductions in property tax relief of .35% and Certified Shares of .1%.

Scenario 4: Assumes Special Tax Rate of .45% (state approval required), with a reduction in property tax relief rate of .45%.

Mr. Samuelson suggested some additional funding sources: approving a food and beverage tax, increasing the Cum. Capital Development Fund to its maximum rate, and a combination of property and income taxes. He stated that if the County is forced by the State to build a jail, that scenario would be the most expensive and subject to the most liability. Council asked several questions and County Commissioner Dawes asked if there was any change at the State concerning a correctional facility special rate. Samuelson stated that the State is aware of the counties' challenges and that any assistance from district legislators would be helpful. He stated that Baker Tilly would revise the financial figures for the County Jail Project when updated costs are furnished by the Sheriff's department.

The next order of business was to address the Transfer of Funds request. Present to explain the request was Circuit Court, Court Reporter, Christa Stroup.

### **TRANSFER RESOLUTION #2019-85-01**

**Whereas, it has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget; NOW, THEREFORE:**

**SEC. 1 Be it ordained by the Wabash County Council of Wabash County Indiana, that for the expense of said county government and its institutions for the year ending December 31, 2019, the following sums of money are hereby transferred and ordered set apart out of the several funds herein named and for the purposes herein specified, subject to the laws governing the same:**

**SEC. 2 WHEREAS, it has been shown that certain existing appropriations now have unobligated balances which will not be needed for the purposes for which appropriated, it is further resolved that the following existing appropriations be reduced in the following amounts.**

#### **GENERAL FUND #1000** **DECREASE:**

Circuit Court	Requested	Approved	AYE	NAY
#1000-30620-000 Equipment Repair	\$615.00	\$615.00	7	0

**INCREASE:**

Circuit Court	Requested	Approved	AYE	NAY
#1000-40540-000 Courthouse Renovations	\$615.00	\$615.00	7	0

(new account/line item)

Explanation submitted by Circuit Court Judge Robert McCallen III: The fund transfer is for the replacement of an existing glass opening with a sliding clear, tempered glass window so that it may be shut and locked; thus limiting access to Judge's chambers. At the meeting, Stroup explained that this is a safety issue and will assist with noise reduction.

Curless made a motion to approve the request. Pearson seconded the motion and it passed by a 7-0 vote.

**Presented to the Wabash County Council, read in full and adopted on the 15th day of July 2019.**

**Council reviewed:**

June 2019 Auditor &amp; Treasurer Financial Reports

June 2019 Wabash County Solid Waste Mgmt. District Income Statement

With no other business to come before the Council, Chairman Bowman adjourned the meeting. The next scheduled meeting of the Wabash County Council is Monday, August 19 at 6:00 P.M.

**The following individuals also attended the July 15th County Council meeting:**

*\*If any names are spelled incorrectly, we apologize.*

Deputy Auditors B.J. Grube and Shelly Baucio, County Commissioners Jeff Dawes, Barry Eppley and Brian Haupert, County Coordinator Jim Dils, Sheriff Ryan Baker, Deputy Sheriff Tyler Guenin, Attorney Mark Frantz, Josh Goodman, and Jim Christie.